

UNITED STATES DISTRICT COURT
DISTRICT OF NEW JERSEY

UNITED STATES OF AMERICA : Hon.
v. : Crim. No.
JONATHAN SOTO : 18 U.S.C. §§ 666(a)(1)(B),
1951(a) and § 2; 21 U.S.C. §§
844 and 846

INDICTMENT

The Grand Jury in and for the District of New Jersey,
sitting at Trenton, charges:

COUNTS 1 TO 6

Attempt to Extort Under Color of Official Right

1. At all times relevant to Counts 1 to 6 of this
Indictment:

a. Defendant JONATHAN SOTO was an elected member of
the City Council for the City of Passaic, New Jersey ("Passaic
City Council"). Members of the Passaic City Council, among other
things, were empowered to vote on ordinances and resolutions,
including those relating to municipal contracts, brought before
the Council. Defendant SOTO was also a middle school teacher for
the City of Passaic Board of Education.

b. There were two cooperating witnesses (hereinafter
"CW-1" and "CW-2") and an undercover law enforcement agent
(hereinafter the "UCA") who purported to be representatives of
companies capable of providing insurance brokerage services to
government entities (hereinafter, the "Insurance Brokerage

Business"). As represented by these individuals, the Insurance Brokerage Business was based in New Jersey, did business in various states, and paid for goods and services in interstate commerce.

c. Individual 1 was a high-ranking elected government official in Passaic, New Jersey. Defendant JONATHAN SOTO was a close associate of Individual 1.

d. Individual 2 was a member of the Pleasantville Board of Education, in Pleasantville, New Jersey.

e. Individual 3 was an elected government official in Passaic, New Jersey.

f. The City of Passaic Board of Education was comprised of nine members who were elected by the residents of the City of Passaic to administer the City's school district, which was coterminous with the boundaries of the City of Passaic.

The Corrupt Activity Involving the City of Passaic

2. It was part of the corrupt activity that, from in or about October 2006 to in or about April 2007, during conversations recorded by federal law enforcement authorities, defendant JONATHAN SOTO agreed to exercise and attempt to exercise official action and influence as specific opportunities arose to: a) obtain insurance brokerage work for the Insurance Brokerage Business from the City of Passaic and the City of

Passaic Board of Education; and b) obtain insurance brokerage work for the Insurance Brokerage Business from the City of Passaic Board of Education in exchange for corrupt payments for the benefit of defendant SOTO and others as follows:

a. On or about October 20, 2006, defendant JONATHAN SOTO met with, among others, Individual 2, CW-1 and CW-2, in a hotel room in Atlantic City, New Jersey. During the meeting, the parties discussed, in substance and in part, the possibility of the Insurance Brokerage Business providing insurance services for the City of Passaic. During this meeting, Individual 2 remarked to defendant SOTO that "they (CW-1 and CW-2) offer[ed] long term retirement packages for politicians." At the conclusion of the meeting, defendant SOTO accepted \$2,000 in cash from CW-2 in exchange for defendant SOTO's exercise of his official action and influence.

b. On or about November 3, 2006, defendant JONATHAN SOTO spoke over the telephone to CW-1. During the ensuing telephone conversation:

(i) Defendant SOTO explained that "[Individual 1] runs the take" and that "[m]oving forward, I have other friends in other municipalities, and I'm all for getting my feet wet as well, man, you know what I'm saying, and I'm very appreciative that, you know, you guys have counted me as part of the team;"

(ii) Defendant SOTO further explained that

"[Individual 1] giving you the green light for you guys to come down is huge. Because it won't just be the City. It will be the City, the [Board of Education] and everything else. The sky's the limit in Passaic;" and

(iii) Defendant SOTO confirmed that Individual 1 was expecting a \$10,000 dollar payment from the CWs:

CW1: . . . [Individual 1's] expectation is that he was expecting ten today. Right? [Individual 1] was expecting ten. That's the bottom line.

JS: Yeah, yeah. But I told [Individual 2], you can ask him, I told him Wednesday (referring to November 1, 2006). I said, listen, this man is a powerful man. You don't understand, everyone does what he says.

c. On or about November 4, 2006, at approximately 9:23 a.m., defendant JONATHAN SOTO sent a text message to CW-1 from defendant SOTO's cellular telephone, which read: "[a]ny word on that cake" [referring to the status of the corrupt payment]?

d. Approximately twelve hours later, defendant JONATHAN SOTO and CW-1 met in CW-1's car at a rest stop in Forked River, New Jersey on the Garden State Parkway. During this meeting, defendant SOTO accepted \$5,000 in cash from CW-1. Defendant SOTO and CW-1 discussed the terms of the corrupt deal; specifically, that defendant SOTO and Individual 1 would receive \$25,000 in exchange for the Insurance Brokerage Business obtaining official authorization to offer insurance brokerage

services to the City of Passaic, and \$25,000 in exchange for the Insurance Brokerage Business obtaining official authorization to offer insurance brokerage services to the Passaic Board of Education:

JS: We got to make this happen.

CW-1: We're gonna make it happen, bro. So here's the deal. Here's, um, I scraped together five alright?

JS: Alright. This is for the boss (referring to Individual 1).

CW-1: And we'll get him five on Monday or Tuesday, another five and I'll work out, I'll get you what we talked about.

JS: Alright.

CW-1: Alright, does that work?

JS: What if [Individual 1] starts asking questions about the whole deal, for the whole package?

CW-1: What we said. Twenty-five for the City [of Passaic], twenty-five for the [Passaic] school board.

JS: For the board, right. Yeah.

CW-1: Is that good? Does that work?

JS: I think so.

CW-1: See what [Individual 1] needs.

JS: Let me see what [Individual 1] thinks.

e. On or about November 7, 2006, defendant JONATHAN SOTO and CW-1 met in CW-1's car in the parking lot of a shopping center in Egg Harbor Township, New Jersey. Shortly after

entering the car, defendant SOTO accepted another \$5,000 in cash from CW-1 in furtherance of the corrupt scheme.

f. On or about November 10, 2006, defendant JONATHAN SOTO met CW-1 in a shopping center parking lot in Egg Harbor Township, New Jersey. Shortly after entering the car, defendant SOTO accepted another \$2,500 in cash. During this meeting, defendant SOTO promised CW-1 that "it's a done deal" and that he would "pitch at him" (referring to Individual 1) to "get the Board of Ed thing rolling."

g. On or about December 14, 2006, in a telephone conversation, defendant JONATHAN SOTO instructed CW-1 to send, via electronic mail, a draft resolution authorizing the Insurance Brokerage Business to provide insurance brokerage services to the City of Passaic government.

h. On or about December 19, 2006, in Iselin, New Jersey, defendant JONATHAN SOTO, CW-1 and UCA discussed the resolution, which was to be presented to the Passaic City Council later that evening. Referring to the resolution and the fact that it would be placed before the Passaic City Council that evening, defendant SOTO stated, "we're on tonight, it's all good." Defendant SOTO was informed that defendant SOTO would receive \$12,500 for the passage of the resolution and an additional \$12,500 after the Insurance Brokerage Business began providing insurance brokerage services pursuant to the

resolution. Defendant SOTO then confirmed that "tonight, we have, we have the resolution being passed."

i. On or about December 19, 2006, the Passaic City Council passed a resolution authorizing the Insurance Brokerage Business to provide certain insurance brokerage services to the City of Passaic government. Defendant JONATHAN SOTO voted in favor of the resolution; however, the resolution was rescinded after defendant SOTO left the council meeting.

j. On or about December 20, 2006, defendant JONATHAN SOTO sent a text message to CW-1 over defendant SOTO's cellular telephone. In that message, defendant SOTO utilized veiled language to solicit and demand a corrupt payment from CW-1, writing: "will need that green broccoli for the 1st entree." Later that day, after learning that the Passaic City Council voted to rescind the resolution, defendant SOTO sought to reassure CW-1 about the passage of the resolution, by telling CW-1 during a telephone conversation that the "the real power is with [Individual 1]" - as opposed to the members of the Council who had voted against the resolution and for its rescission.

k. On or about January 3, 2007, defendant JONATHAN SOTO met CW-1 and CW-2 in Egg Harbor Township, New Jersey. Defendant SOTO stated that the Passaic City Council would restore the resolution on January 9, 2007 "on the strength of the word of [Individual 1]."

l. On or about January 9, 2007, during a meeting of the Passaic City Council, defendant JONATHAN SOTO supported the reinstatement of the resolution, and the Passaic City Council passed the resolution.

m. On or about January 31, 2007, during a telephone conversation with UCA and CW-2, defendant JONATHAN SOTO stated that in the coming months, defendant SOTO would focus on getting "all we can from. . . my home town" (referring to the City of Passaic) and that afterwards, defendant SOTO would attempt to assist the Insurance Brokerage Business in obtaining work in other New Jersey municipalities.

n. On or about February 6, 2007, at a meeting in CW-1's car in Egg Harbor Township, New Jersey, defendant JONATHAN SOTO accepted an additional \$2,500 in cash from CW-1. After defendant SOTO accepted the \$2,500 in cash, defendant SOTO and CW-1 discussed a potential meeting between Individual 1 and CW-2. Defendant SOTO explained that Individual 1 "just likes the cash stuff delivered," but that defendant SOTO could explain to Individual 1 that CW-2 "want[s] to make sure that I've been delivering everything."

o. On or about February 27, 2007, defendant JONATHAN SOTO and Individual 3 met with CW-1, CW-2 and UCA in a hotel room in Atlantic City, New Jersey. Defendant SOTO and Individual 3 explained that they were now working with Individual 1 to ensure,

among other things, that the Insurance Brokerage Business would become the broker of record for the City of Passaic Board of Education's lucrative health insurance contract. Defendant SOTO further confirmed that he had provided some of the corrupt payments to Individual 1 as he had promised: "I've put ten thousand dollars in [Individual 1's] hand, cash, in his house. I've given it to his hand."

p. On or about March 8, 2007, defendant JONATHAN SOTO met with CW-2 at a location in Clifton, New Jersey, and accepted \$5,000 in cash from CW-2. Shortly after receiving this payment, defendant JONATHAN SOTO promised CW-2 that the Insurance Brokerage Business would become the health insurance broker of record for the City of Passaic stating: "it's gonna happen."

q. On or about March 22, 2007, the Passaic City Council was scheduled to vote on two resolutions that would have awarded another insurance broker ("Company 1") the health insurance brokerage contract. Consequently, defendant JONATHAN SOTO contacted Individual 3 by telephone and discussed efforts to defeat the two resolutions in an attempt to steer this City of Passaic insurance contract to the Insurance Brokerage Business. Further, defendant SOTO contacted Individual 1 by telephone and asked Individual 1's "permission . . . if I could vote down [Company 1]." Individual 1 responded affirmatively, stating: "F--ck 'em." In light of Individual 1's support, defendant

JONATHAN SOTO contacted various members of the Passaic City Council by telephone, and sought to influence his fellow councilmen to vote down the resolutions awarding Company 1 the health insurance brokerage contract and to attempt to steer this insurance brokerage work to the Insurance Brokerage Business.

r. On or about March 22, 2007, defendant JONATHAN SOTO voted against the two resolutions that favored Company 1 for the City of Passaic's health insurance contract.

s. On or about March 23, 2007, defendant JONATHAN SOTO had a conversation with CW-2 over the telephone. Defendant SOTO informed CW-2 that the Passaic City Council had voted against the two resolutions that favored Company 1 at the March 22, 2007 Council meeting, as engineered by defendant SOTO, Individual 1 and Individual 3. Defendant SOTO explained: "We shot 'em down [CW-2]. We shot 'em down just like I told you."

t. On or about March 26, 2007, defendant JONATHAN SOTO and Individual 3 spoke over the telephone. Individual 3 confirmed that they had successfully defeated the resolution by stating: "the most important thing is taken care of" and "tell them, the ball is in their (CW-1's and CW-2's) court, no mistakes from them now."

3. On or about the dates set forth below, in the District of New Jersey, and elsewhere, defendant

JONATHAN SOTO

knowingly and willfully did attempt to obstruct, delay and affect interstate commerce by extortion under color of official right-- that is, by corruptly agreeing to obtain and obtaining money for the benefit of himself and others as set forth below, from another with that person's consent, in exchange for defendant JONATHAN SOTO's and others' official action and influence, in attempting to obtain City of Passaic government insurance business for the Insurance Brokerage Business as specific opportunities arose:

COUNT	APPROXIMATE DATE	APPROXIMATE AMOUNT OF EXTORTIONATE PAYMENT
1	October 20, 2006	\$2,000
2	November 4, 2006	\$5,000
3	November 7, 2006	\$5,000
4	November 10, 2006	\$2,500
5	February 6, 2007	\$2,500
6	March 8, 2007	\$5,000

In violation of Title 18, United States Code, Section 1951(a) and Section 2.

COUNT 7

Conspiracy to Obstruct Interstate Commerce by Extortion

1. Paragraphs 1 and 2 of Counts 1 to 6 of this Indictment are hereby incorporated and realleged as if fully set forth herein.

2. From in or about October 2006 to in or about April 2007, in the District of New Jersey and elsewhere, defendant

JONATHAN SOTO

did knowingly and willfully conspire and agree with Individuals 1-3 and others to obstruct, delay and affect interstate commerce by extortion under color of official right - that is, by corruptly agreeing to obtain, and obtaining, money from CW-1 and CW-2 and the Insurance Brokerage Business, with consent in exchange for, among other things, defendant SOTO's and Individual 1's and 3's official action and influence in obtaining local government insurance brokerage business with City of Passaic government entities for the Insurance Brokerage Business as specific opportunities arose.

3. It was the object of the conspiracy that defendant JONATHAN SOTO accepted cash payments from CW-1 and CW-2 for himself and other City of Passaic officials and in exchange for defendant SOTO's and others' official action and influence in obtaining local government insurance business with City of Passaic government entities for the Insurance Brokerage Business as specific opportunities arose.

In violation of Title 18, United States Code, Section
1951(a).

COUNTS 8 TO 13

Acceptance and Agreement to Accept Payments
to Influence and Reward

1. Paragraphs 1 and 2 of Counts 1 to 6 of this Indictment are hereby incorporated and realleged as if fully set forth herein.

2. At all times relevant to Counts 8 to 13 of this Indictment, the City of Passaic received in excess of \$10,000 in federal assistance in a one-year period.

3. On or about the dates set forth below, in the District of New Jersey, and elsewhere, defendant

JONATHAN SOTO

did knowingly, willfully and corruptly solicit and demand for the benefit of himself and other City of Passaic officials, and accept and agree to accept, money as set forth below from another, intending for himself and other City of Passaic officials to be influenced and rewarded in connection with a business, transaction and series of transactions of the City of Passaic involving a thing of value of \$5,000 or more:

COUNT	APPROXIMATE DATE	APPROXIMATE AMOUNT OF CORRUPT PAYMENT
8	October 20, 2006	\$2,000
9	November 4, 2006	\$5,000
10	November 7, 2006	\$5,000
11	November 10, 2006	\$2,500
12	February 6, 2007	\$2,500
13	March 8, 2007	\$5,000

In violation of Title 18, United States Code, Section

666(a)(1)(B) and Section 2.

COUNTS 14 TO 15

Attempt to Possess a Controlled Substance

1. Paragraphs 1 and 2 of Counts 1 to 6 of this Indictment are hereby incorporated and realleged as if fully set forth herein.

2. From in or about March 2007 to in or about April 2007, during conversations recorded by federal law enforcement authorities, defendant JONATHAN SOTO attempted to possess controlled substances, including as follows:

a. On or about March 22, 2007, during a telephone conversation at approximately 11:03 p.m., defendant JONATHAN SOTO stated to another individual that he wanted to go "smoke," but that he did not have "anything on me." This individual responded that he wanted to get a "fifty."

b. Shortly thereafter, during a telephone conversation at approximately 11:09 p.m., defendant JONATHAN SOTO asked another individual, "what ever happened to that weight? . . . I f[--]king need it. Every day, I'm f[--]king copping bullsh[--]."

c. On or about March 23, 2007, during a telephone conversation, defendant JONATHAN SOTO contacted an unidentified male and stated that he was "trying to go cop some . . . weight."

d. On or about March 24, 2007, during a telephone conversation at approximately 4:17 p.m., defendant JONATHAN SOTO discussed having previously purchased an "ounce," and stated that he "has to stop smoking."

e. On or about April 7, 2007, during a telephone conversation with another individual, defendant JONATHAN SOTO

stated that he wanted "to go cop tonight."

f. On or about April 11, 2007, during a telephone conversation with another individual, defendant JONATHAN SOTO stated that he was "just trying to do something for tonight" after the other individual stated they could "save so much money if they could get the other thing" and that he (the other individual) was "trying to do quantity."

3. On or about the dates set forth below, in the District of New Jersey, and elsewhere, defendant

JONATHAN SOTO

knowingly and intentionally did attempt to possess a controlled substance:

COUNT	APPROXIMATE DATE
14	March 22, 2007 to March 24, 2007
15	April 11, 2007

In violation of Title 21, United States Code, Sections 844(a) and 846, and Title 18, United States Code, Section 2.

FOREPERSON

CHRISTOPHER J. CHRISTIE
UNITED STATES ATTORNEY